






Trust board – 1 April 2021

<b>Agenda item:</b>	4.2									
<b>Presented by:</b>	Ogechi Emeadi, director of people, organisational development and communications									
<b>Prepared by:</b>	Nathaniel Williams, people information and systems lead									
<b>Date prepared:</b>	18 March 2021									
<b>Subject/title:</b>	Gender pay gap reporting 2020									
<b>Purpose:</b>	Approval	x	Decision	x	Information	x	Assurance	x		
<b>Key issues:</b>	<ul style="list-style-type: none"><li>• The gender pay gap as at 31 March 2020 reports:</li><li>• The average mean hourly rate as 27% lower for women (28% in 2019)</li><li>• The average median hourly rate as 21% lower for women (22% in 2019) a continuous decrease year on year.</li><li>• Agenda for change staff, (which excludes medical and dental, but includes very senior managers (VSMs), mean gap shows women earn 5% less than men and median gap is in favour for women earning more.</li><li>• Medical and dental mean and median gap is 13% and 20% in favour for men.</li></ul>									
<b>Recommendation:</b>	For information and discussions									
<b>Trust strategic objectives:</b> please indicate which of the five Ps is relevant to the subject of the report	 <b>Patients</b> x	 <b>People</b> x	 <b>Performance</b> x	 <b>Places</b> x	 <b>Pounds</b> x					
<b>Previously considered by:</b>	Workforce committee 29.03.21									
<b>Risk/links with the BAF:</b>	BAF Risk 2.1 Workforce Capacity									

Legislation, regulatory, equality, diversity and dignity implications:	The trust is required by law to publish their gender pay gap report.
Appendices:	

## 1. Introduction

The gender pay reporting legislation requires all organisations employing more than 250 people to measure and publish their gender pay information based on earnings as at 31 March 2020, on our gender profile of 78% women and 22% men employees at The Princess Alexandra Hospital NHS Trust (PAHT).

## 2. Background and context

- a. The legislation framework can be referenced to the Equality Act 2010 - Specific Duties and Public Authorities - Regulations 2017.
- b. It is important to note that the gender pay gap reporting legislation is distinct from equal pay. Equal pay is concerned with men and women earning equal pay for the same or similar work. The gender pay gap is about the difference between men and women's average pay within an organisation.
- c. The NHS has a national pay structure, job evaluation system and contractual terms and conditions for medical and non-medical staff, which has been develop in partnership with trade unions. This national framework provides a robust set of arrangements for pay determination.
- d. The gender pay reporting requirements were introduced to highlight the differences in pay between men and women, giving more transparency across all industry sectors. This also enables employers to consider the reasons for any differences and to take any corresponding action.

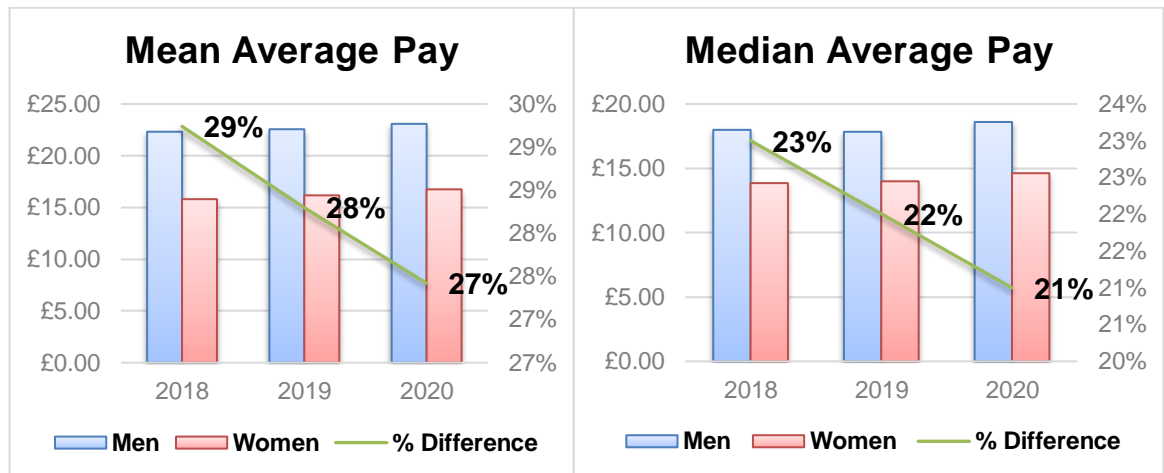
## 3. Requirements

The report is based on earnings as at 31 March 2020 on:

- Mean pay gap – the difference between the mean (average hourly earnings, excluding overtime) of men and women employees
- Median pay gap – the difference between the median ( the difference between the midpoints of hourly rates of earnings, excluding overtime) of men and women employees
- Mean bonus gap – the difference between the mean bonus paid to men and women employees (bonus pay exclusively made up of local and national consultant clinical excellence awards, discretionary points welcome bonus for our international nurses)
- Pay distribution by gender – the proportion of men and women employees in the lower, lower middle, upper middle and upper quartile pay bands



#### 4. Mean and median ordinary pay gap



The trust mean gender pay gap indicates that women earn 27% less than men for the reporting period, a continuous decrease from 2018 whilst the median pay gap indicates that women earn 21% less than men - an improvement from the 2018 reporting period. The high pay difference is partly due to medical and dental staff being the highest paid staff group

The tables below give a clear separation of the medical and dental staff group from Agenda for Change (AFC) pay bands including very senior managers for this reporting period only. This separation is based on a gender profile for 58% men, 42% women for medical and dental staff and 17% men, 83% women for AFC including very senior managers.

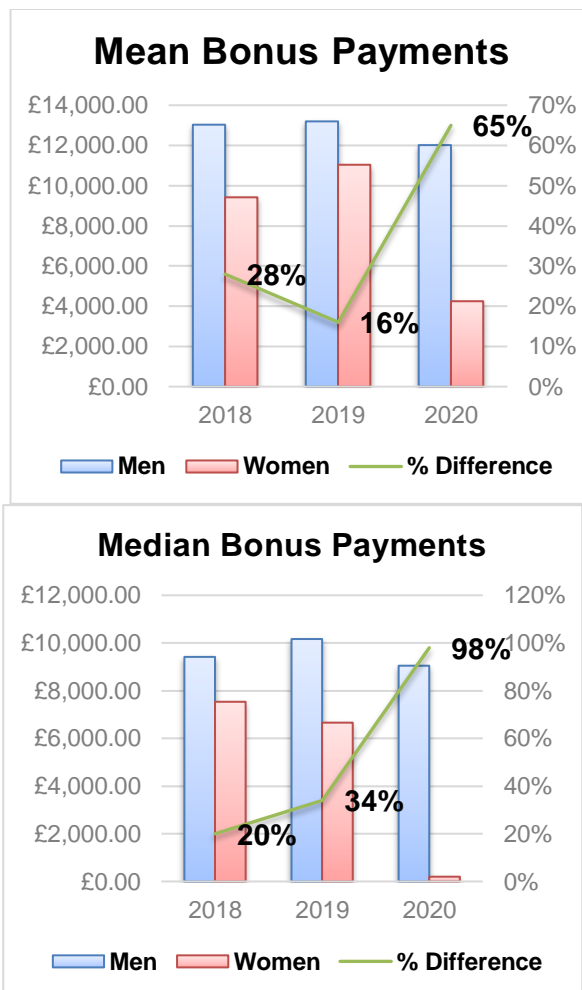
AFC and VSM	Mean hourly rate	Median hourly rate
Men	£16.57	£13.53
Women	£15.68	£14.08

M and D only	Mean hourly rate	Median hourly rate
Men	£35.87	£34.65
Women	£31.25	£27.73

This separation clearly indicates the mean pay gap for Agenda for Change pay band including VSM, women earn 5% less than men and the median pay shows that women earn 4% more than men. For medical and dental staff, the mean and median pay gap indicate women earn 13% and 20% less than men respectively.

## 5. Mean and median bonus pay gap

The only staff group prior to this reporting period in receipt of bonuses were consultants in accordance with the NHS national terms and conditions for medical staff. Within this reporting period, a relocation package for our international nurses included a welcome bonus. Therefore, bonus payments for this report are exclusively made up of local and national consultants' clinical excellence awards, discretionary points and welcome bonus.



Analysis shows that the mean and median bonus payment difference for men and women in the 2020 reporting period increased, largely due to the £200 welcome bonus paid to our international nurses when compared to average payments of about £13k paid to a consultant receiving either clinical excellence awards or discretionary points.

The tables below gives a clear separation of the bonus paid to consultants and the welcome bonus paid to our international nurses for this reporting period.

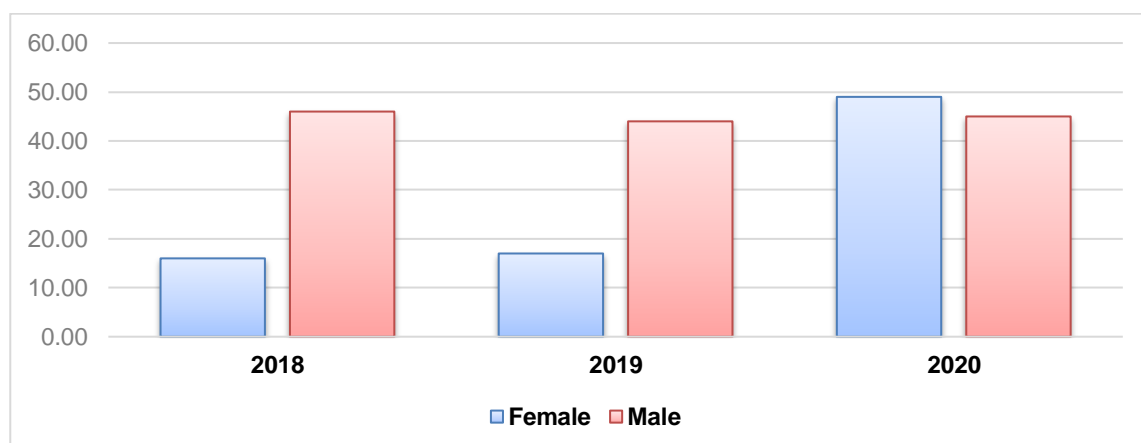
M and D only	Mean bonus payment	Median bonus payment
Men	£13,169.01	£12,063.96
Women	£10,639.34	£6,333.60

International nurses	Mean bonus payment	Median bonus payment
Men	£200.00	£200.00
Women	£200.00	£200.00

This separation indicates that medical and dental consultants' mean bonus payment in this reporting period is 19% in favour for men and the median bonus payment is 48% in favour for men. There is no pay gap for the international nurses as they all each receive £200.

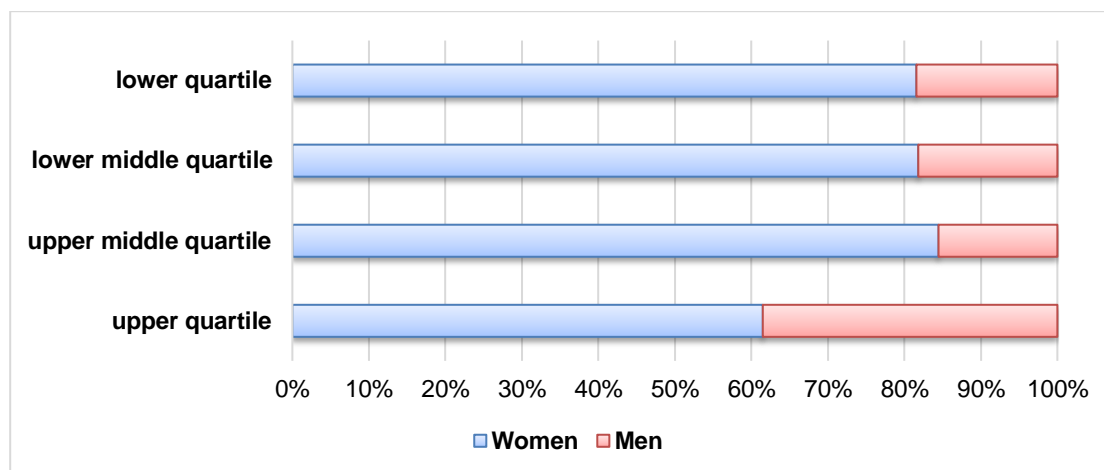
## 6. Total employees paid bonus

The chart shows more women received bonus payments this reporting period than men. The women's increase is due to the thirty international nurses that received the £200 welcome bonus, compared to nineteen women consultants receiving a clinical excellence award. Only four men received the £200 welcome bonus.



## 7. Pay distribution by gender

The chart shows the proportion of men and women employees in each quartile. Employees are allocated into each quartile based on their hourly rate of pay. Lower quartile is our lowest pay quartile and upper quartile is our highest pay quartile.



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**Date:** 23 March 2021